

SD Head
Chrono
1-29-76

MEMORANDUM FOR: Deputy Director of Security (PTOS)
SUBJECT : Procurement of Security Containers
REFERENCE : Memo dtd 16 Jan 76 fm DD/PTOS for C/SS/OL;
same subj.

1. We appreciate your concern about a change in policy for procurement of security containers through the General Services Administration (GSA) instead of direct negotiation with the manufacturer. Consequently, the procurement of security containers was discussed with Mr. [redacted] of your staff and representatives from the Office of Logistics at a meeting held on 23 January 1976.

2. Based on the above discussions, it was agreed that, although procurement will be made through GSA, inspection of all containers at the vendor's plant will continue to be made by Agency representatives, Messrs. [redacted] and [redacted].

3. Currently, Mosler Class 6 containers with the Mosler hand change lock and Diebold Class 5 containers are on the Federal Supply Schedule through GSA. If there is any change in the future concerning the containers available through GSA, your staff will be advised promptly before procurement is initiated.

/s/ [redacted]
Director of Logistics

COORDINATION:

/s/ [redacted]
Chief, Procurement Division, OL

1-29-76

DATE

Distribution:

- Orig & 1 - Addressee
- 1 - OL/LSD/ESB
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Declassified by [redacted]
date 11 OCT 1978

OL/SS/SMB/AS:

(26 Jan 76)

OL 6 0276

DAILY ACTIVITY REPORT

13 May 1976

SUPPLY DIVISION ITEM OF INTEREST

A stock replenishment requisition for 32 Class ~~SE~~^{5E} five four-drawer filing cabinets (safes) with 3-way combination locks was placed with General Services Administration (GSA) several weeks ago. Since the Mosler Class ~~SE~~⁶, with hand change lock, was on Federal Supply Schedule, the Mosler Model was specified for procurement.

We have now been advised that GSA did not place an order for the Mosler safes but elected to request bids on the 32 safes. GSA advises that Art Metal Products submitted the low bid. Art Metal Products recently acquired the assets of Hillside Products, the previous safe manufacturer.

We have had two "Hillside" safes on order since August 1975 for the purpose of test and evaluation. Several delays have been encountered in trying to obtain delivery. GSA recently advised us that a stop order had been placed on these two safes ostensibly because of the merger between Art Metal Products and Hillside. However, the matter is being pursued further. (WE HAVE SINCE BEEN ADVISED TWO WEEKS DELIVERY FROM 13 MAY 76) JAD

In the interim we are requesting GSA to withhold procurement of the 32 safes mentioned above since we have had problems with Hillside safes in the past and because of the uncertainty of delivery on 2 safes from Hillside since last August. Further

we do not wish to place an order for 32 safes prior to conducting a comprehensive test and evaluation on the latest models manufactured by Hillside.

Simultaneously with our stock replenishment requisition for 32 cabinets, we forwarded an order for 80 of the same ~~class~~ ⁶ cabinets for Logistics Service Division's requirements for the Headquarters Building. Art Metal was also low bidder on this solicitation.

Reference is made to attachment 19 and the statement following the name, [redacted]. The statement includes a reference to an additional order for 80 safes.

Examination of existing stock record cards disclosed that the orders for 32 and 80 safes (actually 85 as reflected on the cards) were cancelled.

It is the recollection of the undersigned that when advised that GSA had let both orders to Hillside, I directed [redacted] to cancel both orders and attempt to work out some arrangement with GSA which would assure us that other than Hillside safes would be acquired for our use.

[redacted]

Chief, Supply Division, OL

DAILY ACTIVITY REPORT

3 September 1976

SUPPLY DIVISION ITEM OF INTEREST

STAT The two safes which were ordered from Art Metal (Hillside) Inc. for evaluation in July 1975 were received on August 30, 1976. An initial inspection by [redacted] and [redacted] indicates that both units do not meet specification standards. The units are apparently as bad as those which were procured from the same company in 1968 (which are still in stock).

STAT A written report listing the discrepancies will be forwarded to S&B by [redacted]. It must eventually be decided whether to accept the loss on the cost of these units or attempt to have the vendor rectify the discrepancies.

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Memo written 9/13/76
to elson